

Competitive Landscape for Incentives

Incentives used more broadly:

- Tax credits liberally used, including refundable tax credits in target sectors (MI, IN)
- Financing programs
 - Bond financing (MS)
 - Forgivable loans
 - Infrastructure financing
- Withholding tax refund programs (most notable is NC JDIG program, SC Job Development Credit)

Other states are pursuing

- Emerging technology sectors including IT
- Alternative energy
- Bioengineering and advanced medical sectors
- Life sciences

Virginia has strong assets, needs

- Well-defined strategies for emerging markets
- Framework for public/private participants
- Funding commitments

Alternative Energy

- States have balanced consumer-driven and producer-based incentives (PA,TN)
- Some states imposing mandatory renewable energy portfolio standards
- Virginia has voluntary renewable energy purchase goals
- Virginia currently developing energy strategy to define prioritized target sectors

States have creative programs for emerging technologies

- *Georgia* – Georgia Research Alliance (\approx \$26MM/yr)
- *Ohio* – Third Frontier (\$700 million in bonds passed in May for 2012-2016)
- *New York* – Centers for Advanced Technology (\approx \$15MM/yr)
- *Pennsylvania* – Ben Franklin Technology Development Authority (Authorized in 1982, \$100MM+ funding public/private)
- *Texas* – Emerging Technology Fund (\$203 million)

Create an Emerging Technologies Fund

- Texas ETF structure consistent with other Commonwealth programs
- Consistent with SRI study recommendations (VA Innovation Alliance)
- Consistent long-term funding plan

Potential Targets

Advanced Manufacturing

- Aerospace
- Nano, composites and biopolymers
- Pharmaceuticals

Sciences and Services

- Life sciences, R&D
- IT, Health IT, Data Services
- Computational Technologies

Energy

- Smart Grid and related technologies
- Alternative and renewable
- Battery and storage technologies

Other Emerging Technologies

- Diagnostics
- Logistics

EMERGING TECHNOLOGIES FUND

